VOTER INFORMATION ON QUESTION RELATING TO CHARTER AMENDMENT AND LIST OF POLLING PLACES



FOR THE STATE GENERAL ELECTION NOVEMBER 4, 2014

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The summary and text of the proposed charter amendment follows, in accordance with RSA 49-B:6. This question will appear on the ballot for the November 4, 2014, State General Election.

QUESTION RELATING TO CHARTER AMENDMENT

1. Shall the municipality approve the charter amendment summarized below?

This amendment will replace the Consumer Price Index – Urban (CPI-U) with the Gross Domestic Product (GDP) Implicit Price Deflator (IPD) for State and Local Government Consumption Expenditures and Gross Investment to account for the effects of inflation when determining the limit for the next fiscal year's combined annual municipal budget. If approved, this amendment shall become effective January 1, 2015.

YES	NO	(
163	INU	\smile

TEXT OF RESOLUTION-13-147

ORDERING THAT A PROPOSED AMENDMENT TO CITY CHARTER SECTION 56-c, RELATIVE TO THE LIMITATION ON BUDGET INCREASES, BE PLACED ON THE BALLOT AT THE NEXT REGULAR STATE BIENNIAL ELECTION

"RESOLVED by the Board of Aldermen of the City of Nashua that pursuant to RSA 49-B:5, and having held a public hearing on said proposed Nashua City Charter amendment, order that the proposed amendment be submitted to the voters by placing it on the ballot at the next regular state biennial election in the manner required by RSA 49-B with the following summary:

Shall the municipality approve the charter amendment summarized below?

This amendment will replace the Consumer Price Index – Urban (CPI-U) with the Gross Domestic Product (GDP) Implicit Price Deflator (IPD) for State and Local Government Consumption Expenditures and Gross Investment to account for the effects of inflation when determining the limit for the next fiscal year's combined annual municipal budget.

Amend the City Charter by deleting the struck-through language [EXAMPLE] and adding new language in bold italics [EXAMPLE] in underline as follows:

"§ 56-c. Limitation on budget increases.

Recognizing that final tax rates for the City of Nashua are set by the New Hampshire Department of Revenue Administration pursuant to RSA 21-J:35(1), the mayor, the board of aldermen, and all departments in the City of Nashua including the mayor's office, aldermanic office, legal department, administrative services division, community services division, community development division, school department, public works division, fire department, police department, public libraries, parking garages and cemeteries shall prepare their annual budget proposals and the Board of Aldermen shall act upon such proposals in accordance with the mandates in this paragraph.

In establishing a combined annual municipal budget for the next fiscal year, the mayor and the board of aldermen shall consider total expenditures not to exceed an amount equal to the combined annual budget of the current fiscal year, increased by a factor equal to the average of the changes in the Consumer Price Index-Urban (CPI-U) Gross Domestic Product Implicit Price Deflator (IPD) for State and Local Government Consumption Expenditures and Gross Investment of the three (3) calendar years immediately preceding budget adoption as published by the Bureau of Economic Analysis U.S. Bureau of Labor Statistics.

This provision shall not prevent the mayor and the board of aldermen from establishing a combined annual municipal budget below this limit.

This provision shall not prevent the mayor and the board of aldermen from appropriately funding any programs or accounts mandated to be paid from municipal funds by state and federal law."

This amendment shall become effective January 1, 2015."

PASSED BY THE BOARD OF ALDERMEN – NOVEMBER 26, 2013 TOOK EFFECT 7 DAYS AFTER PASSAGE WITHOUT THE MAYOR'S SIGNATURE, DEC. 4, 2013 ATTEST: PAUL R. BERGERON, CITY CLERK

DEFINITIONS

Consumer Price Index Urban (CPI-U):

"The CPI (Consumer Price Index) represents changes in prices of all goods and services purchased for consumption by urban households. User fees, such as water and sewer service, and sales and excise taxes paid by the consumer are also included. Income taxes and investment items – like stocks, bonds, and life insurance – are not included. The CPI-U includes expenditures by urban wage earners and clerical workers, professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, retirees and others not in the labor force....The CPI and its components are used to adjust other economic series for price change and to translate these series into inflation-free dollars." The CPI-U covers approximately 87 percent of the total population.

Source: "Consumer Price Index," United States Department of Labor Bureau of Labor Statistics. Downloaded 10/01/2014. http://www.bls.gov/cpi/cpiovrvw.htm

Gross Domestic Product Implicit Price Deflator (IPD) for State and Local Government Consumption Expenditures and Gross Investment:

<u>Implicit Price Deflator</u>: "The implicit price deflator is an index that is used to gauge the extent of price level changes or inflation in the economy. This index is essentially one of three different methods by which inflation in the economy is measured.... This index measures the prices of all goods and services included in the calculation of the current output of goods and services in the economy, known as gross domestic product (GDP). It is the broadest measure of the price level. This index includes prices of fighter bombers purchased by the U.S. Department of Defense as well as paper clips used in common offices. Thus, the implicit price deflator is a measure of the overall or

aggregate price level for the economy. Movement in the implicit GDP price deflator captures the inflationary tendency of the overall economy."

Source: "Implicit Price Deflator," Reference for Business, Encyclopedia of Business, 2nd ed. Downloaded 10/01/2014.

http://www.referenceforbusiness.com/encyclopedia/Gov-Inc/Implicit-Price-Deflator.html

<u>Gross Domestic Product (GDP):</u> The Bureau of Economic Analysis' "...featured measure of U.S. production. GDP is the market value of the final goods and services produced by labor and property in the United States. GDP is equal to the sum of personal consumption expenditures, gross private domestic investment, net exports of goods and services, and government consumption expenditures and gross investment. GDP is also equal to the sum of value added by industry across all industries."

Source: "Glossary: National Income and Product Accounts," U.S. Department of Commerce Bureau of Economic Analysis. Downloaded 10/01/2014. http://www.bea.gov/national/pdf/methodology/NIPA%20Glossary%209-30-13.pdf

<u>State and Local Government Consumption Expenditures and Gross Investment:</u> "Government consumption expenditures and gross investment measures the portion of Gross Domestic Product (GDP), or final expenditures, that is accounted for by the government sector.

- Government Consumption Expenditures consists of spending by government to produce and provide services to the public, such as public school education.
- Gross Investment consists of spending by government for fixed assets that directly benefit the public, such as highway construction, or that assist government agencies in their production activities, such as purchases of military hardware...

BEA (The Bureau of Economic Analysis) prepares estimates of government consumption expenditures and gross investment for the federal government sector and for the state and local government sector..."

Source: "Chapter 9: Government Consumption Expenditures and Gross Investment," U.S. Department of Commerce Bureau of Economic Analysis. Updated November 2011. Downloaded 10/01/2014. http://www.bea.gov/national/pdf/ch9%20govt%20ce%26GI%20for%20posting.pdf

POLLING LOCATIONS AND HOURS

All polls will open at 6:00 a.m. and close at 8:00 p.m., Tuesday, November 4, 2014.

Ward 1**	BIRCH HILL ELEMENTARY SCHOOL (Cafeteria)
	17 BIRCH HILL DRIVE (New for 2014 – temporary)

Ward 2 CHARLOTTE AVENUE ELEMENTARY SCHOOL (Gym) 48 CHARLOTTE AVENUE

Ward 3** FIRST BAPTIST CHURCH
121 MANCHESTER STREET (New for 2014)

Ward 4 LEDGE STREET ELEMENTARY SCHOOL

139 LEDGE STREET

Ward 5** CROSSWAY CHRISTIAN CHURCH

503 MAIN DUNSTABLE ROAD (New for 2014)

Ward 6 FAIRGROUNDS MIDDLE SCHOOL

27 CLEVELAND STREET

Ward 7 DR. NORMAN CRISP ELEMENTARY SCHOOL

50 ARLINGTON STREET

Ward 8 BICENTENNIAL ELEMENTARY SCHOOL

296 EAST DUNSTABLE ROAD

Ward 9 NEW SEARLES ROAD ELEMENTARY SCHOOL

39 SHADY LANE

^{**}NEW POLLING LOCATIONS FOR 2014